AMENDED IN ASSEMBLY APRIL 6, 2015 AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1192

Introduced by Assembly Member Quirk

February 27, 2015

An act to add Section 38568 to the Health and Safety Code, relating to greenhouse gases. An act to add Chapter 22.4 (commencing with Section 22595) to Division 8 of the Business and Professions Code, relating to data.

LEGISLATIVE COUNSEL'S DIGEST

AB 1192, as amended, Quirk. California Global Warming Solutions Act of 2006: very low carbon transportation fuels. Fair Information Practices Act.

Existing law requires an operator of a commercial Web site or online service that collects personally identifiable information, as defined, through the Internet about individual consumers residing in California to conspicuously post its privacy policy on its Internet Web site, and requires that privacy policy to, among other things, identify the categories of personally identifiable information that the operator collects.

This bill would require a person, as defined, that provides a mobile operating system or platform that is used by an operator or developer of a mobile application that collects personal data from an individual California user through the mobile application or an online service to create universal privacy policy standards that are based on certain principles, including, but not limited to, transparency and security. The

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bill would require that person to conspicuously post those standards on the person's Internet Web site in a digital format that is accessible to all users, and would require a developer or operator of a mobile application using a mobile operating system or platform to accept those universal privacy policy standards, except as specified. The bill would also make legislative findings and declarations regarding those principles.

The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit to be achieved by 2020 equivalent to the statewide greenhouse gas emissions levels of 1990. The state board additionally is required to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions. Pursuant to the act, the state board has adopted the Low Carbon Fuel Standard regulations.

This bill would authorize the state board to establish a very low earbon fuel market commitment program that requires wholesalers, producers, importers, or any other entity that provides transportation fuel to a retailer or sells transportation fuel to a consumer to include as part of their transportation fuel sales in the state percentages of very low carbon transportation fuel, as defined, as determined by the state board. These provisions would become inoperative 5 years after the state board notifies the Secretary of State that very low carbon fuel sales have reached 2% of all transportation fuel sales in the state.

Vote: majority. Appropriation: no. Fiscal committee: <u>yes-no</u>. State-mandated local program: no.

The people of the State of California do enact as follows:

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SECTION 1. Chapter 22.4 (commencing with Section 22595)
is added to Division 8 of the Business and Professions Code, to read:

CHAPTER 22.4. FAIR INFORMATION PRACTICES ACT

CHAPTER 2595. This chapter shall be known and may be cited as the Fair Information Practices Act.
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1 22595.1. (a) The principles of the Fair Information Practices 2 Act include all of the following:

- (1) Transparency.
- 4 (2) Individual participation.
- 5 (3) Purpose specification.
 - (4) Data minimization.
- 7 (5) Use limitation.
- 8 (6) Data quality and integrity.
- *(7) Security.*

- 10 (8) Accountability and auditing.
 - (b) The Legislature finds and declares that with regard to the principles listed in subdivision (a), developers and operators of mobile operating systems or platforms are encouraged to do all of the following:
 - (1) Be transparent and notify individuals regarding collection, use, dissemination, and maintenance of personal data.
 - (2) Involve individuals in the process of using personal data and, to the extent practicable, seek individual consent for the collection, use, dissemination, and maintenance of personal data.
 - (3) Specifically articulate the authority that permits the collection of personal data and the purpose or purposes for which the personal data is intended to be used by defining the functional purpose of the mobile application and how an individual's personal data is used to contribute to that functional purpose.
 - (4) Only collect personal data that is directly relevant and necessary to accomplish the purpose or purposes for which the personal data is intended to be used, and only retain personal data for as long as necessary to fulfill the specified purpose or purposes.
 - (5) Use personal data solely for the purpose or purposes specified in the notice to the user. Sharing personal data should be for a purpose compatible with the purpose or purposes for which the personal data was collected.
 - (6) Ensure, to the extent practicable, that personal data is accurate, relevant, timely, and complete.
 - (7) Protect personal data in all media through appropriate safeguards against risks, including, but not limited to, loss, unauthorized access or use, destruction, modification, or unintended or inappropriate disclosure.
 - (8) Be accountable for complying with the principles listed in subdivision (a), provide training to all employees and contractors

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who use personal data, and audit the actual use of personal data to demonstrate compliance with the principles listed in subdivision (a) and all applicable privacy protection requirements and laws.

- 22595.2. For purposes of this chapter the term "person" means any individual, partnership, corporation, limited liability company, association, or other organization.
- 22595.3. (a) This section shall apply to a person that provides a mobile operating system or platform that is used by an operator or developer of a mobile application or online service that collects personal data from an individual California user through the mobile application or online service.
- (b) A person shall create universal privacy policy standards for all mobile applications based on the principles listed in subdivision (a) of Section 22595.1, and shall conspicuously post the universal privacy policy standards to the person's Internet Web site in a digital format that is accessible to all users.
- (c) (1) Except as otherwise provided in paragraph (2), a developer or operator of a mobile application using a mobile operating system or platform of a person shall accept the universal privacy policy standards of that person, and shall conspicuously post a notice of acceptance of those universal privacy policy standards on its Internet Web site in a digital format that is accessible to all users.
- (2) A developer or operator of a mobile application or online service may elect not to accept the universal privacy policy standards of a person regarding the use of a user's personal data, if that developer or operator obtains explicit agreement from that user.
- SECTION 1. The Legislature finds and declares all of the following:
- (a) Low carbon transportation fuels are an important element of the state's greenhouse gas reduction policy and increasing the supply of those fuels will help the state achieve its greenhouse gas reduction goals.
- (b) Existing incentives for the development of low carbon transportation fuels, including the Low Carbon Fuel Standard regulation (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations), the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with

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Section 38500) of the Health and Safety Code), and Assembly Bill 118 (Chapter 750 of the Statutes of 2007), have not resulted in sufficient development of low carbon transportation fuels.

SEC. 2. Section 38568 is added to the Health and Safety Code, to read:

38568. (a) For purposes of this section, the following terms have the following meanings:

- (1) "Indirect land use change emission" means the carbon emissions associated with changes in agricultural activity that result from the market-mediated effects of using an agricultural commodity that is a food product as feedstock for the production of the transportation fuel.
- (2) "Very low carbon transportation fuel" means a liquid or gaseous transportation fuel having no greater than 50 percent of the carbon intensity of the closest comparable petroleum fuel for that year, as measured by the methodology in the Low Carbon Fuel Standard regulation (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations). The carbon intensity for the transportation fuel shall include the indirect land use change emission if an agricultural commodity that is a food product is used as a feedstock for the production of the transportation fuel.
- (b) The state board may establish a very low earbon fuel market commitment program that requires a wholesaler, producer, importer, or any other entity that provides transportation fuel to a retailer or sells transportation fuel to a consumer to include as part of its transportation fuel sales in the state percentages of very low carbon transportation fuel. The percentages of very low carbon transportation fuel shall be determined by the state board and measured in energy equivalent units. The state board may require percentages of very low carbon transportation fuel as low as one-quarter of 1 percent or as high as 2 percent.
- (c) When the state board determines that very low carbon transportation fuel sales have reached 2 percent of all transportation fuel sales in the state, the state board shall notify the Secretary of State and this section shall be inoperative five years from that notification.
- (d) This section does not replace or modify any existing fuel standards or requirements imposed under the Low Carbon Fuel

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- Standard regulation (Subarticle 7 (commencing with Section
- 2 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3
 3 of Title 17 of the California Code of Regulations).